Planning in a Collaborative Environment

Regional Economic Development

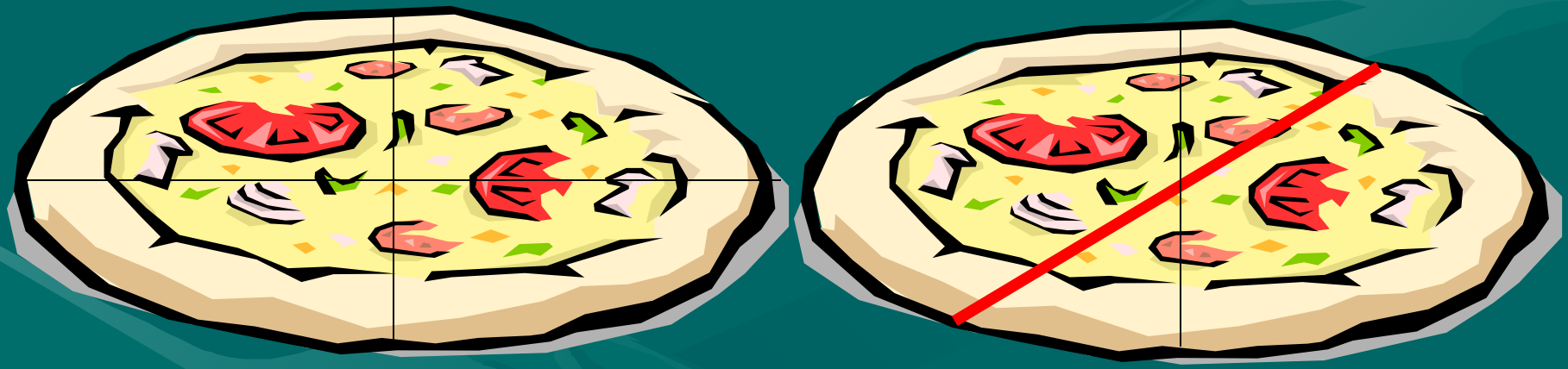
Regional Economic Development

"The regional economic development account registers changes in the distribution of regional economic activity that result from each alternative plan."

Regional Economic Development

- What Does It Mean?
- How Do We Measure It?
- What Tools and Resources are Available?

“Distribution of Regional Economic Activity”



NED vs RED

How Do We Measure It?

From Principles & Guidelines:

"Evaluations of regional effects are to be carried out using nationally consistent projections of income, employment, output and population."

How Do We Measure It?

Measurement will usually be made through Input-Output Modeling

- **Given a change in inputs (expenditures), what will the change be to Income and Employment**
- **I-O Models use inter-industry relationships to measure changes in regional outputs.**

How Do We Measure It?

- Clearly Differentiate between NED and RED
- Establish With and Without Project Conditions
- Negative Income and Employment Impacts Must Also Be Considered

RED Tools

- RIMS II – Bureau of Economic Analysis (Dept of Commerce)

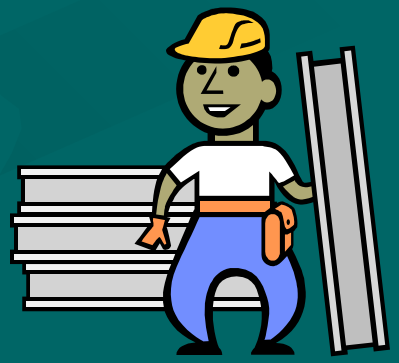
  www.bea.gov/bea/regional/rims
- REAS – ERDC and Michigan State University http://corpslakes.usace.army.mil/employees/economic
- IMPLAN – Proprietary

  www.implan.com
- REMI – Proprietary

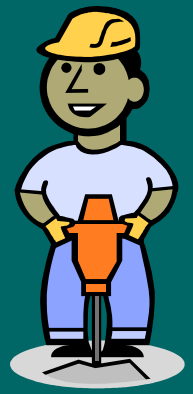
  www.remi.com

Help is on the Way

- Field Guide for RED analysis
- Initiate in 3rd Quarter 06
- Draft report to be completed in FY07



What to Expect



RED Guide will address

- Evaluation Process and Data Needs
- Describe Available Models and Their Appropriate Use

RED Summary

- The RED Account is an Important Measure of Project Impacts – Particularly to Sponsors and Other Stakeholders.
- I-O Modeling is Typically Used, but Complicated and Data Dependent.
- Outside Experts May be the Best Resource.
- RED Handbook to be Published in 2007